

City of Copperas Cove City Council Agenda Item Report

Quarterly Financial Statements.

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SUBJECT: Financial Report for the 3 months ending June 30, 2015

1. PROJECT DESCRIPTION

Attached are the Quarterly Financial Statements for the three months ending June 30, 2015. The statements are submitted to the City Council for review per Section 5.02 of the CCEDC Corporate Bylaws, which states, "Once a quarter, the Corporation shall submit to the Unit a Quarterly Report containing unaudited financial status and other significant activities of the Corporation."

2. BACKGROUND/HISTORY

None.

3. FINDINGS/CURRENT ACTIVITY

None.

4. FINANCIAL IMPACT

None.

Copperas Cove Economic Development Corporation

75% of the Year

Profit & Loss Budget vs. Actual

3rd Qtr FY2014 - 2015

	Apr - Jun 15	YTD	Budget	% of Budget	
Ordinary Income/Expense					
Income					
Income					
Digital Sign - Outside Sales	510.00	3,310.00	15,000.00	22.07%	
Entrepreneur Center	30.00	30.00	22,000.00		
Interest Earnings	410.77	1,156.50	1,800.00	64.25%	
Sales Tax	367,356.11	1,182,692.73	1,312,000.00	90.14%	
Property Sale					
Cost of Land Sold		(30,997.38)			
Settlement Cost		(4,448.80)			
Property Sale - Other		493,000.00	425,000.00	116.0%	
Total Property Sale	0.00	457,553.82	425,000.00	107.66%	
Total Income	368,306.88	1,644,743.05	1,775,800.00	92.62%	
Expense					
Personnel					
Staff Salary	53,740.63	170,838.67	246,000.00	69.45%	
Educational Assistance			1,500.00		
Exec. Director Car Allowance	1,500.00	4,500.00	6,000.00	75.0%	
Medical Plan/Emp. Insurance	9,739.68	29,256.54	42,000.00	69.66%	
Payroll Expenses	13,525.06	32,005.01	37,000.00	86.5%	
Pension Plan	7,877.34	23,583.86	40,000.00	58.96%	
Workers Compensation Insurance		964.00	1,500.00	64.27%	
Total Personnel	86,382.71	261,148.08	374,000.00	69.83%	
Business Retention					
Advertising & Marketing	11.24	3,438.74	4,300.00	79.97%	(1)
Business Workshops	955.31	3,000.80	6,200.00	48.4%	
Incentive Fund			30,000.00	0.0%	
Memberships			800.00		
Shop Cove/Retention Program		2,852.30	3,500.00	81.49%	
Travel	864.90	864.90	2,000.00	43.25%	
Total Business Retention	1,831.45	10,156.74	46,800.00	21.7%	
Entrepreneur Center					
Advertising	572.30	2,814.72	3,500.00	80.42%	(2)
Furnishings			2,000.00		
Insurance		515.00	450.00		
Janitorial	150.00	525.00	3,600.00	14.58%	
Legal			2,000.00		
Memberships (NBIA)	525.00	525.00	525.00		
Miscellaneous			500.00		
Office Equipment	798.59	1,535.02	3,000.00	51.17%	
Office Supplies	52.50	182.70	500.00	36.54%	

Copperas Cove Economic Development Corporation

75% of the Year

Profit & Loss Budget vs. Actual

3rd Qtr FY2014 - 2015

	Apr - Jun 15	YTD	Budget	% of Budget	
Rent	7,500.00	20,000.00	26,400.00	75.76%	
Services			3,800.00	118.36%	
Building Maint. (Non-Capital)	1,232.00	3,832.00			(3)
Alarm System	184.85	665.60			
Subscriptions		48.00	50.00	96.0%	
Travel		2,038.10	1,500.00	135.87%	
Utilities			8,000.00	74.78%	
Wtr / Elec	709.43	4,300.98			
Telephone Billings	222.46	473.11			
Internet Service Provider	453.00	1,208.00			
Total Entrepreneur Center	12,400.13	38,663.23	55,825.00	69.26%	
Business Attraction					
Adv. & Marketing-Mktg. of Prop.	3,354.18	12,182.08	18,000.00	67.68%	
Bus. Attraction Travel	5,442.72	19,560.09	30,000.00	65.2%	(4)
Business Attraction Software		272.60	8,300.00	3.28%	
HOTDA-Military Rel. Eco. Dev.	25,000.00	50,000.00	50,000.00	100.0%	(5)
Incentives	1,257.02	2,244.52	80,000.00	2.81%	
Prospect Generation Services	9,773.43	18,273.43	30,000.00	60.91%	
Site Consultant Outreach		2,790.96	10,000.00	27.91%	
Team Texas - Nat. Mrktg.		3,000.00	3,000.00	100.0%	
Texas One - Nat. Mrktg.			1,000.00	0.0%	
Total Business Attraction	44,827.35	108,323.68	230,300.00	47.04%	
General Administration					
Bad Debt Expense		355.00			
Alarm System (Bldg.)	183.96	453.91	600.00	75.65%	
Audit-Financial Services	6,000.00	6,071.00	9,000.00	67.46%	
Bank Services Charges	726.63	2,203.55	3,000.00	73.45%	
Community Relations	2,389.48	10,425.57	13,000.00	80.2%	(6)
Consultant(s)	45.00	1,040.00	2,500.00	41.6%	
Copier-Color Copy Charges	646.73	2,262.43	3,000.00	75.41%	
Copier Lease	509.25	1,527.75	2,100.00	72.75%	
Depreciation Expense	12,813.42	38,440.26		100.0%	
Furniture/Office Decor			4,000.00		
General Insurance					
D & O Insurance		1,894.00	1,800.00	105.22%	
General Liability		2,482.00	2,500.00	99.28%	
Total General Insurance	0.00	4,376.00	4,300.00	101.77%	
Legal	2,162.50	7,810.00	10,000.00	78.1%	
Membership-Dues					
AAF			250.00		
AUSA		150.00	300.00	50.0%	
CC Chamber			250.00		

Copperas Cove Economic Development Corporation

75% of the Year

Profit & Loss Budget vs. Actual

3rd Qtr FY2014 - 2015

	Apr - Jun 15	YTD	Budget	% of Budget	
ICSC		50.00	250.00	20.0%	
IEDC		890.00	900.00	98.89%	
Lions Club		250.00	700.00	35.71%	
Rotary Club	160.00	490.00	700.00	70.0%	
TEDC	500.00	500.00	1,000.00	50.0%	
Total Membership-Dues	660.00	2,330.00	4,350.00	53.56%	
Office Equipment		46.41	1,000.00	4.64%	
Office Supplies	1,118.70	1,797.65	5,000.00	35.95%	
Postage & Shipping	281.68	486.65	2,000.00	24.33%	
Postage Machine Lease	217.70	423.70	1,000.00	42.37%	
Seminar/Training/Prof. Dev.	175.00	3,916.73	6,000.00	65.28%	
Software		1,559.00	1,500.00	103.93%	
Subscriptions-Publications	148.00	252.98	950.00	26.63%	
Technology Equipment / Services					
Internet Service Provider	421.26	1,039.10	1,500.00	69.27%	
Maintenance/Service Calls	840.00	3,182.50	3,600.00	88.4%	
Offsite Backup	824.45	2,475.00	3,600.00	68.75%	
Website Hosting	256.35	1,147.04	2,000.00	57.35%	
Total Technology Equipment / Services	2,342.06	7,843.64	10,700.00	73.31%	
Telephone Billings	1,413.58	3,990.44	10,000.00	39.9%	
Total General Administration	31,833.69	97,612.67	92,500.00	105.53%	
Digital Sign					
Design Services	132.50	207.50	2,000.00	10.38%	
Electric Billing	797.17	2,955.24	6,000.00	49.25%	
Insurance		1,136.00	4,500.00	25.24%	
Maintenance	437.95	1,352.96	5,000.00	27.06%	
Operating Equip. (Wireless)	183.01	405.03	2,000.00	20.25%	
Total Digital Sign	1,550.63	6,056.73	19,500.00	31.06%	
Building Services					
Bldg. Improvements (Capital)	1,000.00	1,000.00	7,500.00	13.33%	(7)
Building Maint. (Non-Capital)	5,489.60	11,520.45	7,500.00	153.61%	(8)
Janitorial Services (Contract)	2,435.00	7,205.00	6,000.00	120.08%	
Supplies (Janitorial)		110.20	500.00	22.04%	
Utilities (Bldg. Only) Wtr/Elec	1,392.73	8,238.85	10,000.00	82.39%	
Total Building Services	10,317.33	28,074.50	31,500.00	89.13%	
Debt Service					
2001 Sales Tax Bond Note (FN)		12,366.31	85,116.00	14.53%	
2012 Sales Tax Bond Note (R.B.)		22,963.56	60,972.00	37.66%	
Reliever Route Commitment-City		14,175.00	129,675.00	10.93%	
Total Debt Service	0.00	49,504.87	275,763.00	17.95%	

Copperas Cove Economic Development Corporation

75% of the Year

Profit & Loss Budget vs. Actual

3rd Qtr FY2014 - 2015

	Apr - Jun 15	YTD	Budget	% of Budget	
Capital Projects					
Five Hills Retail Ctr -Phase II					
Legal		25.00	1,000.00	2.5%	
Mowing Services		2,100.00	2,000.00	105.0%	
Survey / Engineering			10,000.00		
Total Five Hills Retail Ctr -Phase II	0.00	2,125.00	13,000.00	16.35%	
Land Exchange					
Legal Fees			25,000.00		
Purchase of Land			2,500,000.00		
Survey / Engineering			200,000.00		
Total Land Exchange	0.00	0.00	2,725,000.00	0.0%	
Shops at Five Hills-Phase 1					
Engineering			10,000.00		
Legal Fees			1,000.00		
Total Shops at Five Hills-Phase 1	0.00	0.00	11,000.00	0.0%	
The Narrows Bus & Tech Park					
Construction	4,990.00	6,842.39	30,000.00	22.81%	(9)
Electric Svc Construction	8,695.00	8,695.00	50,000.00	17.39%	(10)
Legal Fees	75.00	1,850.00	5,000.00	37.0%	
Monuments / Construction	19,834.00	33,037.00	30,000.00	110.12%	
Monuments / Design		7,500.00	7,500.00	100.0%	
Total The Narrows Bus & Tech Park	33,594.00	57,924.39	122,500.00	47.29%	
Total Capital Projects	33,594.00	60,049.39	2,871,500.00	2.09%	
Total Expense	249,541.09	659,589.89	3,999,188.00	16.49%	
Net Income	118,765.79	985,153.16	(2,223,388.00)	(44.31%)	

Footnotes
Profit Loss Budget vs. Actual
April 1-June 30 2015
3rd Qtr

- (1) Purchase promotion items \$709.56. Annual expenses should not exceed approved budgeted amt.
- (2) Ad package for Entrepreneur Center space available promotion. Annual expenses should not exceed budgeted amount.
- (3) Lawn maintenance/Alarm Service for Entrepreneur Center
- (4) Airfare/lodging for Northern CA trip.
- (5) Final payment for FY2015
- (6) Largest monthly expenditure of \$1,000 to sponsor the purchase of a table for CC Education Foundation dinner. Total expenses not expected to exceed approved budget.
- (7) Trim large tree in front of the main building
- (8) Repairs to bldg from water damage due to a plumbing leak on 4/3/15. Repairs totalled \$2,735.12. We will recover some of the expense from the insurance company.
- (9) Clearing Underbrush - Constitution & RGIII
- (10) Install electric service to the entrance signs at The Narrows \$8,695.00

Copperas Cove Economic Development Corporation

Balance Sheet

As of June 30, 2015

	<u>Jun 30, 15</u>
ASSETS	
Current Assets	
Checking/Savings	
Checking Account #56002120	505,886.89
Land Account #5770	1,905,204.32
Sales Tax Rev. Fund #57002640	26,403.74
Total Checking/Savings	<u>2,437,494.95</u>
Accounts Receivable	
Accounts Receivable	500.00
Projected Sales Tax	225,090.00
Total Accounts Receivable	<u>225,590.00</u>
Total Current Assets	<u>2,663,084.95</u>
Fixed Assets	
2012 Sales Tax Bond Expense	
Accumulated Amortization	-4,578.14
2012 Sales Tax Bond Expense - Other	45,781.25
Total 2012 Sales Tax Bond Expense	<u>41,203.11</u>
Building & Improvements	
Accum. Depr. - Bldg. & Impr.	-146,226.18
Buildings & Improvements	177,381.34
CIP - Building Improvements	330,807.94
Total Building & Improvements	<u>361,963.10</u>
Equipment	
Accum. Depr.-Equipment	-26,518.19
Equipment	59,652.28
Total Equipment	<u>33,134.09</u>
Improvements other than Bldgs.	
Accum. Depr.-Sign	-117,135.00
Digital Sign	246,600.00
Total Improvements other than Bldgs.	<u>129,465.00</u>
Land Property	
Land Purchase	785,586.29
Land Property - Other	334,315.70
Total Land Property	<u>1,119,901.99</u>
Total Fixed Assets	<u>1,685,667.29</u>
Other Assets	
Deferred Contributions	4,288,320.78
Total Other Assets	<u>4,288,320.78</u>
TOTAL ASSETS	<u><u>8,637,073.02</u></u>

Copperas Cove Economic Development Corporation

Balance Sheet

As of June 30, 2015

	<u>Jun 30, 15</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts payable	22,611.04
Total Accounts Payable	<u>22,611.04</u>
Other Current Liabilities	
Accrued Interest	9,393.00
Accrued Wages	20,147.09
Payroll Liabilities	4,850.19
Pensions Payable	9,229.00
Total Other Current Liabilities	<u>43,619.28</u>
Total Current Liabilities	<u>66,230.32</u>
Long Term Liabilities	
2012 Sales Tax Bond	1,475,000.00
Issuance of Debt	420,000.00
Total Long Term Liabilities	<u>1,895,000.00</u>
Total Liabilities	<u>1,961,230.32</u>
Equity	
Committed Fund Balance	810,000.00
Restricted Fund Balance	2,531,865.00
Retained Earnings	2,347,048.77
Unassigned Fund Balance	1,775.77
Net Income	985,153.16
Total Equity	<u>6,675,842.70</u>
TOTAL LIABILITIES & EQUITY	<u><u>8,637,073.02</u></u>